

Des/P

CONFIDENTIAL
SECRET

COPY NO. 66
OCI NO. 0285/61

22 June 1961

CURRENT INTELLIGENCE WEEKLY SUMMARY



CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

25X1

State Dept. review completed

DOCUMENT NO. 9
NO CHANGE IN CLASS. ☐
☐ DECLASSIFIED
CLASS. CHANGED TO: TS S (C)
NEXT REVIEW DATE: 1990
AUTH: HR 70-2
DATE: 20/5/80 REVIEWER:

SECRET
CONFIDENTIAL

25X1

8521

Page Denied

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

22 June 1961

T H E W E E K I N B R I E F**EAST-WEST RELATIONS Page 1**

In his 21 June speech and his 15 June television "report" on the Vienna meeting Khrushchev again emphasized his determination to carry through with his announced policy on Berlin and Germany. He has now publicly committed the USSR to sign a separate treaty and transfer to the East Germans control over access to Berlin if no East-West agreement is reached by the end of this year. On the other aspects of the German problem and on the questions of disarmament and a nuclear test ban treaty, Khrushchev's statements followed closely the position set forth in the Soviet aide-memoire on 4 June. He made no effort to represent the talks in Vienna as more than a "necessary" and "worthwhile" first step. He did, however, defend top-level diplomacy as "essential" to the solution of current issues and indicated that these problems urgently required meetings by the heads of government.

25X1

LAOS Page 4

Basic agreement on the formation of a provisional government of national unity was announced by Boun Oum, Souvanna Phouma, and Souphannouvong in a 22 June communiqué on their talks in Zurich. Details remain to be worked out in later talks, but it was announced that the coalition government would be formed through the "special procedure" of designation by King Savang without referral to the National Assembly. The announcement of agreement at Zurich should give new impetus to the deadlocked Geneva and Namone deliberations, but does not assure a swift settlement of domestic and international differences over Laos. Communist representatives at Geneva are still delaying implementation of an effective cease-fire, and anti-Vientiane forces in Laos continue to improve their already strong military position.

25X1

CONGO Page 8

With the 19 June agreement between representatives of the Leopoldville and Stanleyville regimes on the reopening of parliament, the long impasse between Kasavubu and Gizenga may be nearing an end. Premier Ileo probably will be dropped as head of the government; his likeliest replacement is Cyrille Adoula, the able interior minister in Ileo's cabinet. Gizenga might accept a vice-premiership under Adoula. The Gizenga bloc probably still controls no more than 40 of the 137 members of parliament, but his supporters probably will wield an influence out of proportion to their number as a result of their superior organization. Katanga's

SECRET

1

BRIEFS

SECRET

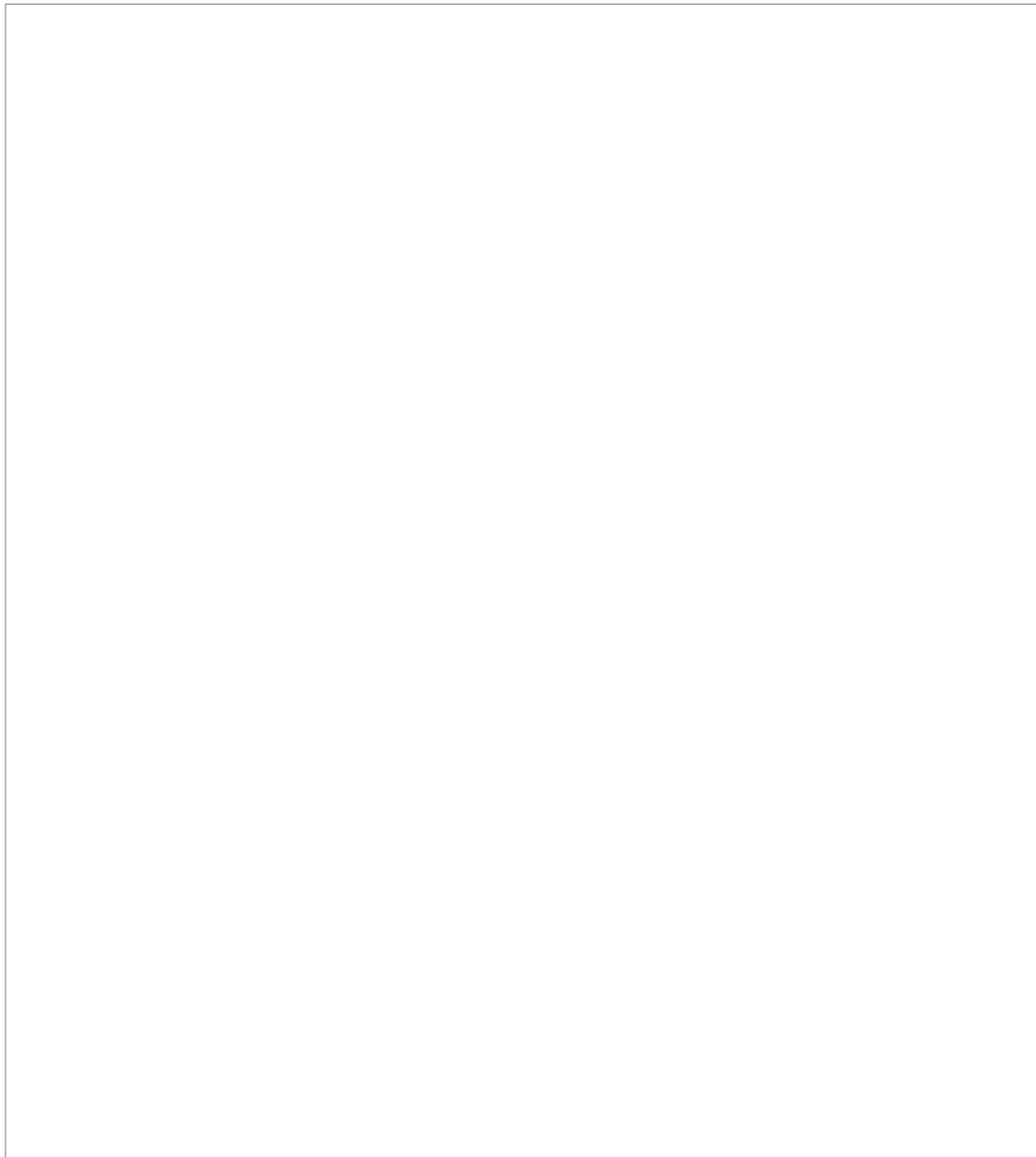
CURRENT INTELLIGENCE WEEKLY SUMMARY

22 June 1961

participation in a parliamentary session appears likely
now that Tshombé has been released by the Leopoldville
authorities. [REDACTED]

25X1

25X1



EL SALVADOR Page 12

The civil-military directorate which took control
of El Salvador in January is pushing ahead with its socio-
economic reform program [REDACTED]

25X1

SECRET

ii

BRIEFS

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

22 June 1961

COMMUNIST CHINA Page 17

Peiping's uncertainty on how to deal with the nation's numerous problems is indicated by its failure so far this year to convoke the National People's Congress--Communist China's legislature, which normally meets in the early part of the year to approve party programs. The Congress has reportedly been postponed until fall, apparently in the hope that domestic news will improve by then. Meanwhile the early vegetable and grain harvests have eased the food shortages, but since the early grain crop was poor, the improvement in the diet may be only temporary. [redacted]

25X1

25X6

THE SUDAN Page 20

[redacted] the strike by the Sudan Railway Workers Union which began on 17 June. The strike brings the largest organized body of labor in the Sudan into active opposition to the military regime. Attempts by a coalition of political and religious leaders to capitalize on the situation could lead to dissension within the army, on which the Abboud regime's power depends. [redacted]

25X1

25X1

SECRET

iv

BRIEFS

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

22 June 1961

[REDACTED] 25X1
 the directorate appears ready to comply with increasing civilian demands that congressional and municipal elections be held in September. [REDACTED] 25X1

SOVIET PARTY MEETING Page 13

The Soviet party central committee met on 19 June in a one-day plenary session and heard Khrushchev and Kozlov explain drafts of documents they are to present to the 22nd party congress in October. Khrushchev reported on the new party program which is to chart the course of Communist development in the epoch of the "expanded building of Communism," and Kozlov, apparently recovered from his recent heart attack, reported on a new set of party rules. The shortness of the plenum makes it unlikely that there was serious discussion of other topics. The fact that party leaders were summoned to Moscow on short notice suggests, however, that more urgent subjects were under consideration; other high-level meetings at which such discussions could have taken place apparently preceded the plenum.

25X1

SOVIET AID TO EAST GERMANY Page 14

The recently announced Soviet credit to East Germany of more than \$475,000,000 for 1961-65 will stimulate the economy, but it probably is not large enough to support the investment goals and high growth rate of the original Seven-Year Plan (1959-65). The credit may reflect a Soviet decision to effect a gradual, rather than an immediate, reduction in East Germany's dependence on imports from the West, particularly West Germany. [REDACTED]

25X1

NORTH KOREA INCREASES NONBLOC TIES Page 16

[REDACTED] 25X1
 In addition to its ties with the bloc, Pyongyang has arranged for diplomatic relations with Cuba, Guinea, and the Gizenga government. [REDACTED] 25X1

SECRET

iii

BRIEFS

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****22 June 1961****SPECIAL ARTICLES****THE "TROIKA" DOCTRINE IN SOVIET DIPLOMACY Page 1**

The tripartite control of international executive bodies has become a basic Soviet foreign policy objective. This doctrine, originally introduced by Khrushchev before the UN General Assembly last September, has been extended to the control system of a nuclear test ban treaty and, by implication, to the control authority for any disarmament agreement short of "complete and general disarmament." In advancing these proposals the Soviet leaders readily concede that their aim is to establish a veto over the decisions of any international enforcement agencies. They insist in any case that such a veto is inherent in the concept of sovereignty. The proposals reflect the Soviet premier's insistence that the executive organs of international agencies must reflect the USSR's status as the great-power equal of the US. In an attempt to win support for this program, Moscow insists on a position of equality for the neutrals in the tripartite concept.

25X1

25X6

SECRET**v****BRIEFS**

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**WEEKLY REVIEW**EAST-WEST RELATIONS**

The Soviet leaders on 21 June took advantage of the public rally marking the 20th anniversary of the German invasion to blame the Western democracies for encouraging Hitler and to draw parallels with the current situation in Germany. Khrushchev's speech and an address by Marshal Malinovsky were generally anti-Western in tone and stressed that the USSR had the military capability to meet any Western challenge which might grow out of the situation in Germany and Berlin.

Khrushchev added that if the "imperialist powers" continued to increase defense expenditures and the size of their armed forces, the USSR would be confronted with the necessity of increasing "allotments for armaments" and, "if need be," of increasing the "numerical strength of our armed forces."

In his "report" of 15 June on his meeting with the President in Vienna, Khrushchev made no effort to represent the talks as more than a "worthwhile and necessary" first step. However, he defended such high-level diplomacy as "essential" under modern conditions because controversial questions cannot be solved through normal diplomatic means; such questions "urgently demand a meeting of heads of government." He indicated that the Soviets had had no great expectations, but that a frank exchange of positions on major issues was in itself quite important. He sought to convey the impression that the talks

had been at least partially successful by claiming that "I have the impression that President Kennedy understands the great responsibility that lies with the governments of two such powerful states," and that this awareness gave rise to hopes that international disputes could be solved.

Khrushchev implied that in general there were still major obstacles to an accommodation between the US and USSR. As a specific example he acknowledged that a different interpretation of peaceful co-existence had emerged from the talks. His discussion of the historical process of social revolution and his allegation of US interference in the internal affairs of other countries appeared designed to respond to those parts of the President's report on the Vienna meeting which dealt with the international Communist movement.

Berlin

The most significant aspect of Khrushchev's report was the emphasis on his determination to carry through with his announced policy on Berlin and Germany. He has committed himself publicly for the first time to take unilateral action and to sign a separate peace treaty if there is no East-West agreement before the end of 1961. He declared on 21 June that the USSR would sign a peace treaty with East Germany "at the end of this year."

25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

25X1

The Soviet premier's exposition of other aspects of the Soviet position on Germany and Berlin has adhered closely to the memorandum of 4 June given to the US in Vienna. In both speeches he stressed the danger of delaying the conclusion of a peace treaty and cited the US-Japanese peace treaty as a precedent for a separate Soviet - East German treaty. Although he made it clear that the East Germans would be granted full control over Allied access to Berlin, Khrushchev on 15 June stressed that access would not be prevented if the Western powers reached agreement with East Germany concerning such access. He also warned that if "arms are brought into play" after a treaty, the Soviet Union is capable of giving a "proper rebuff."

On the day of the Khrushchev television speech, East German party chief Ulbricht also denied that the East Germans intended to block Allied access to Berlin, but emphasized that those states "who are interested in avoiding an interruption of traffic must show an interest in early negotiations" with East Germany. He disclaimed any interest in interrupting air travel and declared, "We are interested in bringing about a new settlement--that is to say, that a contractual basis be established," but he made it clear that East Germany would take full control over air access, which is currently handled by the four-power air-safety center in Berlin.

Ulbricht repeated his earlier call for immediate negotiations on a peace treaty

and guarantees for West Berlin. After contending that agreement had been nearly reached on the main points of difference during the Geneva foreign ministers' conference in 1959, Ulbricht asserted that he was confident that "satisfactory results" could be achieved "if the negotiations are now continued in a serious and businesslike manner."

However, the East German leader also set forth new demands for a Berlin settlement. For the first time he dealt in detail with the refugee problem after a separate treaty. He demanded that the refugee camps in Berlin be abolished and that the "people engaging in this trade" leave Berlin. He also made the usual reference to the end of occupation forces, "agent centers," radio stations, and any other means which serve the "preparation of war."

Against the background of a stiffer bloc attitude on a peace treaty, the East German regime has stepped up its denunciation of the Evangelical Church's all-German congress, scheduled to be held in West Berlin from 19 to 23 July. On 14 June, Neues Deutschland stated that no East German citizen could participate in the meetings in West Berlin and that no sessions would be permitted in East Berlin. This suggests that the regime may take steps to seal sector borders in Berlin and may plan interference with the travel of West German clergymen and laymen to Berlin.

A further move to point up the vulnerability and isolation of West Berlin has been the increased pressure by the regime on East Germans and East Berliners who work in the western

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

sectors of the city. These so-called "border crossers," now estimated to number almost 57,000, are now being subjected to a "persuasion" campaign to take employment in East Germany, where their services are badly needed. The East German party central committee issued a directive in late May calling for an intensification of this campaign. However, unless the East German regime can seal off all access to West Berlin, further pressure will risk provoking a mass exodus.

Disarmament

On the question of disarmament, Khrushchev has taken a generally negative view. He claimed in both speeches that all postwar negotiations had failed because the Western powers were not ready for serious negotiations. On 15 June he said, "To put it frankly, they still do not want" disarmament. He repeated the standard Soviet offer to accept any form of controls if the West agreed to complete and general disarmament and asserted that the control organs would operate freely without any "so-called veto."

In his television speech Khrushchev referred only briefly to the bilateral talks on disarmament which began on 19 June in Washington. He stated, "One hopes that this time we shall finally meet with a constructive approach from the US." He did not reiterate his previous contention that these talks should deal with more than the procedure for resuming multilateral negotiations; at the first session on 19 June, however, Soviet representative Zorin promptly suggested that the question of complete and general disarmament

be discussed prior to negotiation on the precise forum for a new conference.

Soviet propaganda has also emphasized that the main task for the Washington discussions was to "find ways" of solving the problem of general disarmament as well as agreeing on the composition of the new forum. A TASS dispatch criticized the "definite tendency" by the American side to emphasize "procedural questions" concerning the composition and work of a new disarmament committee.

Having stressed that the Soviet Union was willing to accept any control over disarmament, Khrushchev on 15 June claimed that the Western powers were "resolutely refusing to accept Soviet proposals on the forms of control" for a nuclear test ban. He repeated the position taken by the Soviet aide-memoire on the difficulties of achieving agreement in Geneva. In support of the Soviet position, he raised the question of the consequences of French testing and warned that France's example may be followed by other countries when they have the appropriate technical prerequisites. He concluded that in the "prevailing conditions there is no other way out" but linking the test ban with disarmament.

On 21 June Khrushchev repeated this line, and added that the USSR in its reply to the US note of 17 June dealing with the test ban negotiations would "firmly adhere to the views we have stated." In addition Khrushchev warned that "as soon as" the US resumed nuclear tests the USSR would do so, and the US would bear the responsibility.

25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****LAOS**

Agreement on the formation of a provisional government of national unity for Laos was announced in the communiqué issued on 22 June in Zurich at the conclusion of the four-day talks held there between the Boun Oum, Souvanna Phouma, and Souphannouvong delegations. No details were included in the communiqué, although it was specified that the coalition government--consisting of representatives of three factions--would be formed through the "special procedure" of designation by King Savang without referral to the National Assembly. A new conference is to be arranged at an unspecified time and place "in order to achieve national accord as soon as possible."

The developments at Zurich should provide impetus to the deadlocked deliberations at Geneva and Namone, but they do not assure an early settlement of domestic and international differences over Laos. Tough negotiations lie ahead on such critical matters as the composition of the coalition government, integration of the opposing military forces, and the timing of a new general election. Also remaining to be worked out are the fundamental questions of guaranteeing Laos' neutrality status and of establishing effective international supervision and controls to assure that end.

The special procedure adopted for forming the planned coalition government represents a compromise between the initial positions held by the three

factions. The Boun Oum delegation had wanted to form a government headed by King Savang and approved by the National Assembly. Souvanna and Souphannouvong were opposed to this on the grounds that the assembly was only a creature of General Phoumi, and that assumption of the premiership by the King would be unconstitutional. Savang himself has expressed unwillingness to participate so directly in the politics of the country.

Phoumi's role in the projected new government is of major interest. Souvanna and Souphannouvong previously have indicated willingness to accept his participation provided he divests himself of his military connections. On the unresolved question of division of the portfolios, Peng Phongsavan, head of the Souvanna delegation at the Namone talks, recently said that a coalition cabinet should consist of six Souvanna supporters and four each from the Phoumi and Neo Lao Hak Sat factions.

Phoumi's apparent willingness to reach a compromise settlement at Zurich probably reflects his realization that the longer the impasse continues, the more vulnerable individual members of the government delegation will become to offers by Souvanna of personal deals. This could eventually lead to Phoumi's isolation and the collapse of the Boun Oum government.

The Geneva and Namone talks, meanwhile, have been

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY



SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

marking time pending the outcome of the "little summit" meeting at Zurich. The talks at Namone, particularly, have been sporadic and unproductive ever since mid-June when the Souvanna and Souphannouvong delegations began insisting that the ICC representatives be excluded from both the political and military discussions. This maneuver may have been dictated by growing Western pressures at Geneva for a more effective role for the ICC in investigating and supervising the 3 May cease-fire.

Soviet propaganda has portrayed the Western position at Geneva as "unrealistic" and has charged that Ambassador Harri-man's 20 June proposals for strengthening the protocol to the French draft proposal actually provided for setting up more control posts throughout Laos than those deemed sufficient by the 1954 Geneva conference. Moscow radio also claimed that the US delegate's proposals levied conditions which would prevent the early withdrawal of US personnel from Laos.

A Chinese spokesman in Geneva promptly denounced the US proposals as treating Laos like a vanquished nation. Reflecting Peiping's determination to reject any arrangement which would circumscribe the activities of the Pathet Lao, he warned that US insistence on imposing an "international condominium" on Laos would lead to the breakdown of the conference. The Chinese spokesman asserted that a renewal of the war in Laos was certain if the US attempted to eliminate Communist forces there.

On a related front, the USSR has tried to obtain Brit-

ish agreement to a draft message from the Geneva co-chairmen appealing to both the United States and South Vietnam to abandon the implementation of military measures which the USSR contends were agreed on during Vice President Johnson's visit to Saigon. The proposed message would take note of a North Vietnamese letter of 24 May expressing concern over a US decision to send additional arms and military personnel to South Vietnam.

The North Vietnamese delegation in Geneva has already cited the South Vietnamese issue as one which seriously threatens peace in Southeast Asia and continues to hinder the work of the conference. Hanoi formally requested the Geneva co-chairmen on 12 May and again on 24 May to take urgent measures to prevent further US aid to South Vietnam. 25X6

[redacted] Moscow probably feels it will be able to cite this overture to Britain as a matter of record if the bloc demands an expansion of the Geneva conference to include the Vietnamese question.

In Laos, the main military fronts remain generally quiet, but behind the lines enemy forces continue mopping-up efforts against isolated government pockets. Meo forces holding a position about 20 miles northeast of the Plaine des Jarres were forced to disperse under a heavy mortar attack lasting from 16 to 18 June. 25X1

[redacted] the attacking force numbered between 800 and 900 and was predominantly North Vietnamese. Combined Pathet Lao - Kong Le - North

25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

Vietnamese forces are beginning to bring pressure to bear on the new Meo positions established about three miles southwest of Pa Dong.

Skirmishes and ambushes continue to occur in other sectors, particularly along Route 13 north of Vientiane and in the Luang Prabang area. Some fighting about 25 miles northeast of Pak Sane appears to have resulted more from reaction to incursions made by government forces since the ceasefire went into effect than from enemy efforts to take new territory.

On 17 June there was a skirmish involving Pathet Lao and South Vietnamese patrols about six miles inside Laos where Route 9 crosses the Lao-Vietnamese border. The South Vietnamese patrol consisting of special forces personnel was on a security mission within a 10-kilometer strip inside Laos authorized by a 1959 agreement with the Vientiane government. South Vietnamese artillery stationed on the border supported the patrol in this action which resulted in many killed and wounded on the Pathet Lao side and one Vietnamese killed and one wounded. As yet there has been no bloc propaganda reaction to this incident, but it is susceptible

to exploitation as a means of diverting attention from Communist violations of the ceasefire.

A more serious Communist reaction can be expected to South Vietnam's plans to establish five enclaves in Laotian territory along the common frontier. These enclaves, each with a landing strip capable of handling Dakota-type aircraft and defended by regular Vietnamese troops, are intended to strengthen defenses against known concentrations of Communist troops in the area and to provide havens for any South Vietnamese special forces operating in southern Laos. As of mid-June three of these enclaves had been established, including one in the Route 9 area.

A least one overland supply route into Laos from North Vietnam is apparently being improved to facilitate the flow of traffic during periods when roads normally are impassable because of monsoons.

[redacted] Route 7 between Muong Sen--a major North Vietnamese supply base--and Ban Ban is being paved and widened to about 26 feet. In addition, all wooden bridges are being replaced with steel structures. [redacted]

25X1

25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****CONGO**

The agreement on 19 June between representatives of the Leopoldville and Stanleyville regimes on the reopening of parliament raises the prospect that the long impasse between Kasavubu and Gizenga may be nearing an end. The agreement calls for parliament to meet at Lovanium University near Leopoldville on 25 June, but the senior UN representative in the Congo considers 15 July a more likely date. The UN is to provide protection for all deputies and institute rigid security measures to minimize the threat of outside influence.

The agreement apparently was reached over the protests of Premier Ileo, who has long been reluctant to call parliament. Ileo, who has little legislative backing, probably will be dropped as head of the government; his most likely replacement is Cyrille Adoula, the moderate and able interior minister in the Ileo cabinet. Adoula would probably be able to obtain support from elements in both the Kasavubu and the Gizenga groups; Gizenga's spokesman in New York has expressed the opinion that the Stanleyville leader would accept a vice premiership under Adoula.

Estimates of the relative parliamentary strengths of the Kasavubu and Gizenga blocs continue to indicate that the Leopoldville faction is in the lead. Gizenga has a strong minority position, however, with about 40 of the 137 votes, and many of the other legislators are unknown quantities. Moreover, his supporters are the best organized group and probably will be able to wield an influence out of proportion to their number. There are indications that the Leopoldville

faction is becoming increasingly concerned at its inability to exert close control over its supporters.

The position of the Katanga regime on the question of parliament is unclear. Negotiations in Milan earlier this month between Katanga and Leopoldville officials produced the beginnings of a rapprochement; however, Congolese in Elisabethville, in conversations with UN representatives, have been ignoring the talks and their implications. On 20 June the parliamentarians from Katanga announced they would not come to Leopoldville unless Tshombé was released and the confederal structure proposed at the Tananarive conference last March adopted as the basis for a constitutional revision.

Tshombé has now been released and has announced his plans to return to Elisabethville, and a Katanga spokesman has apparently withdrawn the condition concerning the Tananarive resolutions. The deputies controlled by Elisabethville would furnish valuable support to the Kasavubu bloc in its disputes with Gizenga.

Congolese Foreign Minister Bomboko recently told an American official that Leopoldville authorities had proof that Indian Chargé Rahman had been involved in subversive activities against the Leopoldville government.

[redacted] a member of the Indian UN contingent and other UN officials were implicated as well.

[redacted] Rahman was implicated in a plot involving a youth group and Congolese army elements. The leader of the youth group was arrested last week and may

25X1
25X1

25X1
25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

have furnished a basis for Bomboko's charges. Bomboko allegedly hoped to ask Nehru to remove Rahman quietly in the interest of Congolese-Indian relations. Should the charges be widely publicized, the recent improvement in New Delhi's attitude toward the Congolese Government probably would be nullified.

Neutralist nations continue to encounter difficulties in their efforts to send aid to Gizenga. A flight to Stanleyville, of a Ghanaian IL-18 allegedly to transport "medical supplies" and "embassy personnel," was canceled at the request of the UN chief in the Congo.

In Brussels, Foreign Minister Spaak recently took issue with Hammarskjold's view that UN forces in the Congo probably could be reduced from 20,000 to 5,000 by the end of the year. Spaak believes the situation will remain so un-

stable for at least a year that any substantial UN withdrawal would be dangerous. Hammarskjold, in stating his views to British officials in early June, had also said he hoped to reduce the annual cost of UN operations in the Congo from \$120,000,000 to \$20,000,000.

Spaak appears to be increasingly realistic regarding the withdrawal of Belgian elements from the Congo. He has told the American ambassador in Brussels that if Munongo does not release all of the 23 advisers whose return has been requested by Spaak, they will be ordered to return to Belgium immediately. On the other hand, Spaak is reluctant to force the return of Belgian officers serving in the Katanga gendarmerie until replacements are available. He has also decided to send a high Foreign Ministry official to Katanga to represent him, although for "political" reasons he could not immediately withdraw Belgian Consul General Crener, who does not have the confidence of UN officials.

25X1

SECRET

25X1

Page Denied

Next 1 Page(s) In Document Denied

SECRET

25X1

CURRENT INTELLIGENCE WEEKLY SUMMARY

EL SALVADOR

The civil-military directorate which seized power in El Salvador in January is steadily implementing its socio-economic reform program--most recently

in a minimum-wage decree announced on 10 June. The minister of labor has spoken to the US Embassy of a forthcoming comprehensive law for the protection

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

of peasants. Early this month Defense Minister Rodriguez Simo, probably the most important of the young army officers who have been the prime movers behind the reform program, publicly expressed confidence that before it leaves office the directorate will have enacted the fundamental laws to establish social justice in El Salvador.

the directorate has apparently decided it can accommodate the increasing demands of the political parties for early elections. Most of the parties agreed to hold joint demonstrations for elections unless the directorate indicates by 30 June that it will put into effect an electoral law which these parties recently drafted. Under this law, congressional and municipal elections would be held on 17 September and congress would in turn

choose a provisional president to serve until regularly scheduled elections could be held in 1962.

Heretofore, the armed forces have been doubtful that any Salvadoran political party is powerful enough to overcome the opposition leveled at the reform program both by the upper classes and by extreme leftists. The directorate, which hopes to receive shortly a number of loans from US and international lending agencies, is anxious to use these funds on projects that will have an immediately visible effect in improving the national economy and the living conditions of the poorer classes.

SOVIET PARTY MEETING

The Soviet party central committee met on 19 June in a one-day plenary session and heard Khrushchev and Kozlov explain drafts of documents they are to present to the 22nd party congress in October. Khrushchev reported on the new party program which is to chart the course of Communist development in the epoch of the "expanded building of Communism," and Kozlov, apparently recovered from his recent heart attack, reported on a new set of party rules. Although the committee was called into session on short notice, there are no indications that it considered other subjects.

High-level party meetings, however, were apparently held earlier in Moscow for preliminary screening of the draft program and rules. Other matters--the ticklish state of Soviet-Albanian relations, for example

--could also have been discussed at that time. Party presidium member Furtseva returned to Moscow on 15 June, cutting short her good-will visit to England by two days, presumably for meetings of the presidium. Moreover, several Foreign Ministry officials who are also important party figures came back from assignments abroad.

The program and the rules, technically speaking, are party documents, which may explain why the plenum was a closed meeting restricted to party officials rather than a mammoth semi-public assemblage on the pattern of recent plenums which dealt primarily with state economic matters. The plenum resolution calls for publishing the proposed program on 30 July and the rules on 20 August 1961 for discussion by party members "and all USSR workers."

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****SOVIET AID TO EAST GERMANY**

The recently announced Soviet credit to East Germany of more than \$475,000,000 for 1961-65 will stimulate the economy, but it probably is not large enough to support the investment goals and high growth rate of the original Seven-Year Plan (1959-65). The credit apparently reflects a Soviet decision to effect a gradual, rather than an immediate, reduction in East Germany's dependence on imports from the West, particularly West Germany. However, Moscow has repeatedly indicated that if the West imposes economic sanctions, the USSR will fully support East Germany.

The form of the credit, announced only in a brief East German statement, has not been disclosed, but it probably represents refinancing of outstanding East German indebtedness. Repayments on previous Soviet credits due during the next five years are estimated to be about the same size as the new credit. There is no evidence that the Soviets have both postponed these repayments and extended new credits, nor is there any indication that foreign exchange is being made available to East Germany.

This new aid agreement is thus probably not as favorable as that announced in the preceding five-year period (1956-60), when East German drawings on Soviet commodity and foreign exchange credits amounted to over \$400,000,000 and most of the repayments due during that period were postponed. Even if this new credit is only in effect a deferment of repayments, it still represents substantial Soviet support, as about \$100,-000,000 a year in East German resources which otherwise would have been used to meet debts will now be available for the investment program.

At least part of these additional resources will prob-

ably be used to purchase additional goods from the USSR. According to the protocol, increased imports from the USSR will consist primarily of investment goods, such as complete installations for the metallurgical, power, and chemical industries, rolling mill products, nonferrous metals, chemicals, and machine tools--goods which will permit East Germany to continue its high-priority projects. Probably a large part of the aid is earmarked for the plants that are scheduled to deliver chemicals and machinery to the USSR and other bloc countries.

This new aid is, however, only a partial response to repeated East German pleas for support. The magnitude of East Germany's aid requirements is indicated by the request made in September 1960 for a credit of over \$375,000,000 to finance a trade deficit expected in 1961 alone. Because Moscow rejected this request, East Germany had to cut back its 1961 investment program and initiate revisions in both its foreign trade and production plans. An East German commentator has stated that the planned rate of growth through 1965 will continue to be 7.2 percent, the revised rate set for 1961, as compared with the 9.4 percent rate projected in the original long-term plan.

East Germany will continue to depend on the West for supplementary supplies of priority materials for the investment program, for commodities not available within the bloc, and for new technology. In the long run, however, increased Soviet deliveries of investment goods will result in a proportionate decline in the West's share in the East German investment program and will thus hasten the trend toward a diminishing level of dependence on imports from the West.
(Prepared by ORR)

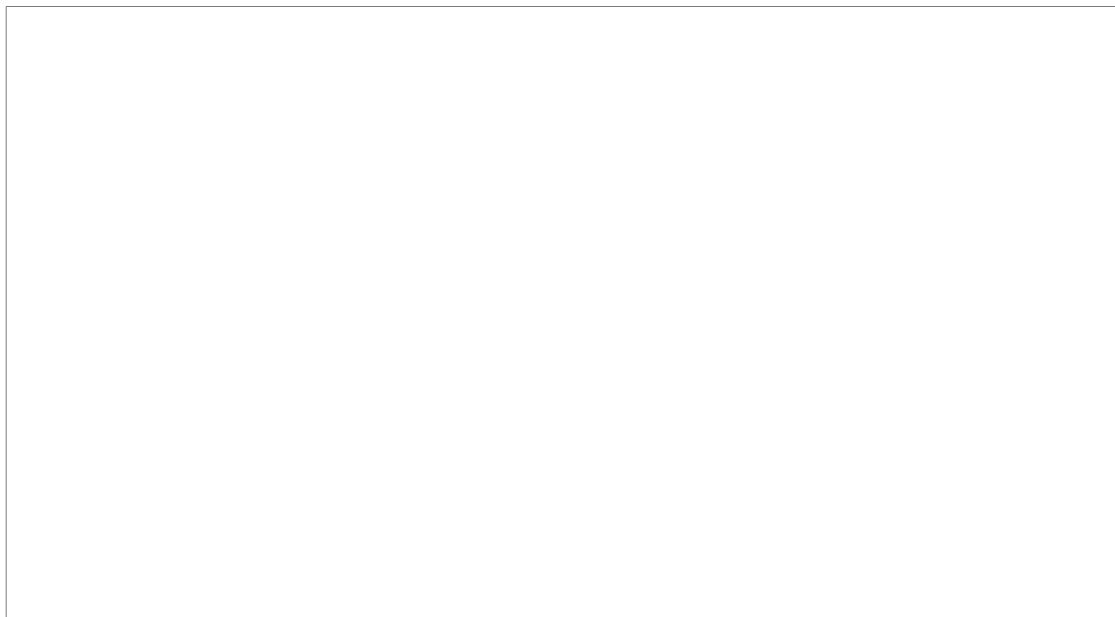
25X1

SECRET

Page Denied

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

25X6

**NORTH KOREA INCREASES NONBLOC TIES**

North Korea, long the satellite most isolated diplomatically from the non-Communist world, is stepping up its campaign for greater international acceptance, especially among Afro-Asian countries. Pyongyang currently has two delegations abroad: one, led by Minister of Foreign Trade Yi Chu-yon, is in Southeast Asia; the other, led by Minister of Education Yi Il-kyong, is touring Africa.

Pyongyang's efforts in Southeast Asia have met with limited success in Indonesia and Burma.

25X1

In August 1960 Cuba became the first nonbloc country to recognize and exchange ambassadors with Pyongyang. Since then Guinea, Mali, and the Gizenga government in the Congo have indicated their willingness to establish diplomatic relations.

25X1

25X1

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

25X1

Recognition of North Korea has always been a question which nonbloc countries preferred to defer rather than prejudice their relations with those countries which favored South Korea. Faced with this attitude, Pyongyang has sought permanent trade representation abroad as an opening wedge in its drive for full diplomatic exchanges.

Although North Korean trade outside the Communist bloc is almost nonexistent, trade pacts at present provide for commercial representation in Austria, Iraq, Yemen, India, and the UAR. Only in the last two, however, do permanent missions exist.

COMMUNIST CHINA

Uncertainty among the party elite on how to cope with Communist China's manifold ills and an unwillingness to see a public airing of its troubles are suggested by Peiping's failure to convoke the National People's Congress. In addition, there has been little to suggest that the regime intends to make a gala of the 40th anniversary of the founding of the Chinese Communist party. This event is less than two weeks away, but there has been almost no publicity for what would normally be a major celebration.

The National People's Congress--Communist China's rubber-stamp legislature--usually meets in the first half of the year to hear party policy explained and to ratify decisions taken

earlier by the party leadership. This year's meeting, already postponed several times, has now been deferred until fall, perhaps in the hope that the news from the domestic front will improve by then.

The Chinese Communist leaders sorely need a domestic success. It is acutely embarrassing for them to have so little to show for their vaunted leap forward and commune programs, especially since conservative opponents of the schemes--excoriated at length by the party--have been shown by events to have been closer to the mark than Mao Tse-tung and his advisers. As a result, there is much uncertainty in Peiping these days. There has been virtually total retreat from the unsuccessful

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

policies of the leap forward and communes. The industrialization drive has been slowed down, and all signs point to the probability that 1961 will be a year of further consolidation and retrenchment.

25X1

A bright spot for the authorities is the fact that the worst of the year's food shortages is over. The annual run of harvests--which will continue until November--has begun. With the taking of the early vegetable and grain crops, the quantity and variety of the marginal diet on which the average Chinese has been existing should improve. The American Consulate General in Hong Kong reports that some amelioration of the extensive malnutrition of last winter and spring first became noticeable several weeks ago. The authorities, by providing supplementary rations and medical treatment and by easing workloads as well as other demands on energy, probably reduced the symptoms in the worst cases. Advance distribution of some food stocks made possible by the promise of the early arrival of grain imported from Australia and Canada may also have helped.

The improvement probably will be minor, however, and possibly only temporary. The winter wheat harvest in North China is about complete, and the press is conceding losses from the third consecutive year of drought, complicated by severe wind storms, hail, and frost during April and May. The provinces that suffered most from the adverse weather--Honan, Hopei, Shantung, and Shansi--are in the

heart of the wheat belt and account for more than 60 percent of the total winter wheat acreage.

In the early-rice belt of southern China, rainfall has been unusually heavy over the past several months and there have been local floods.

25X1

the extent of the damage has not been established. As of 18 June the heavy rainstorms had moved into the Yantze and Huai river basins.

It is too early to estimate prospects for agriculture for the year as a whole. Clearly, however, much depends on the late-rice crop, which will have to be outstanding to avoid an even more barren winter and spring than those just past.

For the present, however, the emergency food situation is at an end and the leaders can turn their attention to some of its peripheral effects. Peiping was forced to make certain concessions in the face of the shortages and some retraction of these seems likely. Political indoctrination meetings, for example, will probably be resumed as soon as the health of the populace permits. In addition, some of the reinstituted peasant incentives such as private plots and "free markets" may be curtailed. But the regime will probably find it more difficult to reinvigorate work drives, reestablish popular confidence in its purposes, and reimpose discipline.

25X1

SECRET

Page Denied

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****THE SUDAN**

The 25,000-member Sudan Railway Workers Union (SRWU)--by far the largest trade union in the Sudan--went on strike on 17 June despite a last-minute attempt by the government to avert this by dissolving the union. According to the American Embassy in Khartoum, the strike, which also includes the workers on the Nile River steamers, is about 50 to 75 percent effective in the larger rail centers of Khartoum, Atbara, and Port Sudan, and slightly less effective in the smaller outstations. The government has been forced to curtail train service drastically, and Labor Ministry officials have privately said that all rail traffic will cease if the strike continues to spread.

Last March the SRWU presented the government with demands for a 45-percent pay increase and a raise in the cost-of-living allowances. The government rejected the demands as unrealistic, although it has for some time been searching for a way to improve salaries and retirement benefits. When subsequent negotiations broke down, the union announced its intention to call a two-week strike beginning 17 June. On 14 June the government dissolved the union, believing that the Communist party, which has heavily infiltrated the union, was instigating the strike in an attempt to embarrass the regime.

The Supreme Council--the Sudan's top ruling body--surprised and chagrined that this tactic had

failed to halt the strike and is now uncertain as to what course it should take. It has launched a propaganda campaign in an effort to curtail the strike's effectiveness, combining threats of "severe legal procedures" against strikers with assurances that the government will try to settle the workers' complaints fairly.

25X1

The American Embassy in Khartoum believes the government will try to "wait out" the strike on the assumption that the need for pay will force the workers back to their jobs; this same union maintained a strike for 33 days.

The coalition of political and religious leaders which for some time has been pressing for a return to civilian government is watching the situation closely, but so far has made no attempt to take direct action to capitalize on the situation. Siddiq al-Mahdi, the mainstay of the group, brought some 4,000 of his Ansar followers into the Khartoum area. However, in a speech to them on 18 June, the Mahdi stressed the use of peaceful means for attaining their goal, i.e., a return to civilian government.

25X1

The government is, nevertheless, still apprehensive about his intentions, and should it come to a showdown, a number of the many Ansar adherents in the army would probably side with the Mahdi.

25X1

25X1

SECRET

Page Denied

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

SPECIAL ARTICLES

THE "TROIKA" DOCTRINE IN SOVIET DIPLOMACY

25X1

Khrushchev remarked that the time had passed when the United States could arbitrarily have its own way throughout the world. He said the US must now take into account the views of other countries, including the USSR. These statements reflect the Soviet premier's determination to gain acceptance of the USSR's claim to be recognized as the great-power equal of the US in the international arena.

One of the instruments Moscow has devised for pressing this claim is the "troika" doctrine, which insists that the executive organs of international organizations be controlled by tripartite councils composed of representatives of the bloc, the West, and neutral states. This doctrine, originally introduced by Khrushchev before the UN General Assembly last September, has been extended to the control system of a nuclear test ban treaty and, by implication, to the control authority for any disarmament agreement short of general and complete disarmament. The Soviet leaders have readily conceded that their aim is to establish a veto over the decisions of these bodies.

Khrushchev has admitted that his proposal to replace the UN secretary general by a tripartite council grew out of the Soviet defeat in the Congo crisis last fall. When he arrived in New York, bloc diplomats had been ignominiously expelled from Leopoldville by

Colonel Mobutu and the Soviet UN delegation had been badly outmaneuvered in the special General Assembly session on the Congo crisis. The Soviet premier's reaction was to make Hammarskjold the scapegoat for this setback. He told neutralist leaders that the USSR had been humiliated in the UN for 15 years, but that the world power situation had changed and the Soviet Union was entitled to a position commensurate with its power position.

In the face of almost unanimous adverse reaction, Khrushchev vehemently defended his proposal and warned that the bloc might consider establishing a competing international organization if the Soviet demands were not met. Since the Soviet plan opened up the entire question of revising the UN Charter, including a review of the veto power, Khrushchev prudently stopped short of a formal proposal to revise the Secretariat. He fell back on the standard Soviet proposal that any reform of the United Nations should await the admission of Peiping. He did, however, seek to capitalize on some of the sentiment in favor of charter revision by suggesting that the Security Council be enlarged to ensure more representative geographical distribution of the permanent seats.

After Khrushchev's departure, the Soviet delegation used the meetings of the special committee of experts on the Secretariat's activities and composition as the pretext to suspend its effort for UN reorganization. The Soviet delegate stated that the USSR

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

would be willing to wait for a special report on the structure of the Secretariat, which would be considered by the 16th General Assembly next September, before taking up the proposals for reform of the executive organs.

The tripartite concept again appeared when the nuclear test ban negotiations resumed in Geneva on 21 March after a recess of several months. In his opening statement, the Soviet delegate withdrew previous consent to a single administrator for the control system and proposed instead that a three-member administrative council be established. He defended this proposal along the same lines that Khrushchev had used at the UN--that international organizations must reflect the realities of the world and the distribution of power. In the subsequent sessions the Soviet delegation made the tripartite proposals an essential condition for a test ban treaty; top-level Soviet officials emphasized that the Soviet Union would insist on Western acceptance, even to the point of the breakdown of negotiations.

Parity

The Soviet drive for international equality dates back to the fall of 1957, following the launching of the first sputnik. It has since been a consistent and fundamental Soviet policy aim to gain, whenever possible and expedient, equal East-West representation in international conferences. Parity has sometimes taken the form of a demand for equality between Western and bloc countries and sometimes for equality of the total number of bloc

and neutral countries on the one hand and Western countries on the other.

In late 1957 the USSR insisted on reconstituting the UN Disarmament Commission so as to put the USSR in a less isolated position. During the 1958 summit campaign, Moscow proposed a conference of all members of NATO and the Warsaw Pact and, alternatively, suggested a more limited conference, such as a US-Soviet meeting, perhaps with a neutral participant. During the inconclusive preparatory talks in 1958 on a possible summit, Soviet Foreign Minister Gromyko refused to meet the American, British, and French ambassadors together unless the Polish and Czech ambassadors were also present.

The first Soviet breakthrough in achieving parity occurred in the 1958 meeting of technical experts to discuss methods of detecting nuclear tests. After the US had invited British, French, and Canadian experts to participate, the USSR invited Poland, Czechoslovakia, and Rumania. A somewhat similar situation occurred in the talks in 1958 on measures for the prevention of surprise attack, with five Western and five bloc countries participating. A third breakthrough occurred in July 1959 when the Western powers agreed in principle to a disarmament forum outside the UN with equal representation of bloc and Western countries.

The Veto

The demand for a veto is a facet of the drive for equality--it has long been advanced by the USSR as a practical

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

measure to ensure equal treatment. The veto, Vishinsky once declared, is a means of self-defense. In supporting the right of great powers to a veto in the UN Security Council, Stalin repeatedly rested his case on the principle of "unanimity of action by the great powers." "It is essential," Stalin wrote to President Roosevelt in 1944, "that the council base its work on the principle of agreement and unanimity between the four leading powers on all matters."

Khrushchev and his colleagues have defended the tripartite concept in almost identical terms. If there is no agreement between the great powers--particularly the US and the USSR--it would be preferable to take no decision, Khrushchev has argued to several Western statesmen. As he put it in defending the troika system for a nuclear test ban: "We demand for ourselves precisely the same rights as the other parties to the treaty will have. We do not seek to dominate, but neither shall we allow anyone to dominate us."

Gromyko told Secretary Rusk in Vienna that the troika system without its veto aspect would make no sense. Gromyko also told another American official that the USSR was seeking a veto over nuclear test controls but claimed that Moscow would apply it with discretion. Moreover, Khrushchev has argued that the US will eventually support the troika doctrine, since the UN majority will shift away from the US, and that the US and USSR will then have a common aim of protecting their interests with the veto power.

In elaborating the rationale behind the demand for equality and the right of a veto, Khrushchev has added a new concept to Stalin's principle of great-power unanimity. In the past, the Soviet attitude toward the UN secretary general depended almost entirely on the extent to which he associated himself with the Western position--Trygve Lie, for example, was bitterly attacked only after the Korean war began. Khrushchev now contends, however, that there is no international civil servant who could be expected to respond impartially to UN instructions. The Soviet aide-memoire on nuclear testing of 4 June states flatly: "While there are neutral states, there are not nor can there be neutral men."

Moscow has nevertheless made itself the champion of the sanctity of the UN Charter and has consistently opposed any attempt to tamper with it. The USSR has assumed that any change in the charter aiming at greater effectiveness of a body dominated by unfriendly states would result in changes detrimental to Soviet interests. In pressing its current proposal, the USSR still strongly denies the need for a review of the charter and has described its plan as a typical example of introducing only "partial amendments."

Neutrality

25X1

a high Soviet official has admitted that the Soviet Government is actually interested only in parity with the US. Since some reorganization of the UN is of interest to neutral states, however,

25X1

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

Khrushchev has sought to capitalize on this by directing the troika system toward these states. The addition of a neutral representative also reflects the gradual post-Stalin evolution of Soviet policy toward the neutral states which Khrushchev endorsed at the 20th party congress.

Khrushchev contends that a revision of the UN structure is dictated by changes in the balance of power since the UN was founded. He recognizes that the UN structure was normal for the time it was devised and reflected the actual state of affairs, but he claims that it now is out of date. The UN, he says, no longer corresponds to the realities of political life because it fails to take into account the rise of the "great and powerful camp of the socialist countries as well as the emergence of "new young states" which adhere to a neutral policy. The interest of the neutralists, Khrushchev contended last October, is not taken into account either in the Security Council or in the Secretariat of the UN. In such a situation, Khrushchev argues, the only solution is to make the UN reflect the "realities" of international life and to rebuild the UN Secretariat and Security Council so as to protect the interests of the three main groups of states.

As part of his efforts to stimulate neutralist support for the tripartite plan, Khrushchev has sought to exploit the appeal of disarmament. He claims that complete and general disarmament would not be possible without a revision of the UN executive, because a disarmed world would need absolutely impartial UN control

of an international police force; by his own definition, such impartiality could be guaranteed only by tripartite control.

Although Khrushchev has attempted to appeal to the neutrals by granting them an equal status in his proposals, he is, of course, unwilling to accord a neutral representative the deciding vote. He attacked the system of deciding by majority vote and asserted that it is "untenable" to apply a parliamentary system to an international organization. The chief Soviet delegate to the Geneva nuclear talks explained that while the principle of a single individual responsible to a supervisory body did prevail in domestic affairs, this had nothing to do with the situation in international organizations. The chief Soviet delegate at the nuclear test talks has also explained that, while a single individual administrator could not be neutral in practice, a single individual in a tripartite council could represent the interests of neutral states, since they are all agreed on questions of "peace, colonialism, disarmament, and control of nuclear weapons and tests."

Outlook

The Soviet leaders probably view the tripartite campaign as a protracted struggle. While Khrushchev insists on the principle of equal status for the bloc, the West, and the neutrals, in practice the USSR probably will proceed by stages to achieve this aim. In the UN, the Soviet initiative has renewed interest in the questions of the enlargement of the Security Council and the reform, if not revision, of the

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

Secretariat. There is some UN sentiment in favor of appointing three deputies to the secretary general; the USSR would undoubtedly view this as a step toward tripartitism. The Soviets may also see such a compromise as an expedient pending the end of Hammarskjold's term, when the original proposal would again be pressed.

Another Soviet maneuver to reduce the secretary general's effectiveness and strengthen Soviet influence is the proposal to build up the Department of Political and Security Council Affairs, currently headed by Soviet Deputy Under Secretary Arkadiev. The Soviet member of the UN experts' committee on the Secretariat also has sought to abolish the post of executive assistant to the secretary general, a position now occupied by an American.

In the nuclear test negotiations, Khrushchev and the Soviet delegate have made it clear that the USSR will stand by the troika principle. They have sought to undercut the objections to the veto feature by suggesting that this could be met by writing into the treaty specific guarantees for veto-free inspections. However, on all other decisions, some of which vitally affect the inspection plan, the USSR insists on unanimous approval. This maneuver to reduce criticism of the veto as applied to disarmament reflects the Soviet leaders' sensitivity to the charge of self-inspection. Khrushchev in his conversation with Ambassador Thompson last March implied that in the event of disarmament agreements, there could be certain "rights"

which would not be subject to a veto.

In the negotiations on a new forum for a multilateral disarmament conference, the Soviets originally proposed a 15-nation committee divided along tripartite lines. In the subsequent bargaining, however, Gromyko indicated that full parity for the neutrals was not essential and that the USSR would settle for less. The USSR has also raised the troika concept in other international agencies. In the International Atomic Energy Agency, Soviet delegate Molotov did raise the possibility informally. 25X1

In UNESCO, the Soviet delegate only "recommended" a three-member board last fall.

Khrushchev has, nonetheless, committed himself to the doctrine of tripartite control of international activities. On his return to Moscow from the UN last fall, he reported to a workers' meeting that the USSR had not put forward "proposals" for reorganization of the UN but had raised some "points of principle." He declared, however, that if the organizational structure of the UN is not so arranged that the three groups of states are on an "equal footing," the UN "will commit suicide." In that event, "no group of states can oblige other states to carry out the decision adopted." As Walter Lippmann wrote after his discussion of the troika system with Khrushchev, a Soviet veto is to be the USSR's price for international cooperation. 25X1

SECRET

Page Denied

Next 9 Page(s) In Document Denied

~~SECRET~~

~~SECRET~~

CONFIDENTIAL